

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

Update Music, Corp. and Roberto Martinez
Lebron,

Plaintiffs

vs.

Carlos Efren Reyes Rosado p/k/a “Farruko”,
Kairy Lopez, and the Reyes-Lopez conjugal
partnership; Carbon Fiber Music, Inc.;
Corporations A, B & C;
Insurance Companies X, Y & Z;
William Doe and Mary Doe,

Defendants

Case Number: 24-_____ (____)

Breach of Contract

Jury Trial is Demanded.

COMPLAINT

TO THE HONORABLE COURT:

COME NOW the Plaintiffs, Update Music, Corp. and Roberto Martinez Lebron, through the undersigned attorneys, and very respectfully state, allege, and pray as follows:

I. INTRODUCTION

This is a civil action in which the Plaintiffs, Update Music Corp. and Roberto Martinez Lebron, claim damages for breach of contract from Defendants, Carlos Efren Reyes Rosado p/k/a “*Farruko*”, his wife, Kairy Lopez, and their conjugal partnership [the Farruko Defendants], and Carbon Fiber Music, Inc. for their non-performance of obligations and material breach of a contract between the parties.

II. JURISDICTION AND VENUE

1. This Honorable Court has jurisdiction over the present action pursuant to 28 U.S.C. 1332 over state law claims under the to 28 U.S.C. 1332 over state law claims under the Civil Code of Puerto Rico, Title 31 L.P.R.A.. Total diversity of citizenship exists between plaintiffs and defendants as they are citizens of different states, and the amount in controversy exceeds the sum of \$75,000.00, exclusive interests and costs.

2. Venue is proper in this district under 28 U.S.C. § 1391(b)(2) because a substantial part of the events and/or omissions giving rise to this claim occurred in this district and defendants has subjected himself to the general jurisdiction of this district through their regular activities here.

III. THE PARTIES

3. Plaintiff, **Update Music, Corp.** (“Update Music”), is a corporation organized under the laws of the Commonwealth of Puerto Rico with Registration Num. 371758, with its principal place of business at Toa Baja, Puerto Rico.

4. Plaintiff, **Roberto Martinez Lebron p/k/a “Revol”** (“Revol”), is, of legal age, a songwriter, music producer, and domiciled in San Juan, Puerto Rico.

5. Defendant, **Carlos Efren Reyes Rosado p/k/a “Farruko”** (“Farruko”), is on information and belief, married to **Kairy Lopez** with whom he forms a conjugal partnership, and they are domiciled in the State of Florida. Defendant Farruko is a renowned musical artist in Latin urban genre, who regularly conducts business in Puerto Rico.

6. Defendant **Carbon Fiber Music, Inc.**, is, on information and belief, a limited liability company with its principal place of business at 14125 NW 80th Avenue 401 Miami Lakes, Florida that regularly conducts business in Puerto Rico.

7. Co-Defendants, **Companies A, B & C**, are corporations that may be responsible to Plaintiff for the facts alleged in the present Complaint, but at this moment their names and addresses are unknown.

8. Co-Defendants, **Insurance Companies X, Y & Z**, are insurance companies that may be responsible to the Plaintiff for the facts alleged in the present Complaint, but at this moment their names and addresses are unknown.

9. Co-Defendants, **William Doe** and **Mary Doe**, are unknown individuals who are or might be responsible to the Plaintiff for the facts alleged in the present Verified Complaint, but at this moment their names and addresses are unknown.

IV. FACTS

10. Plaintiff, Revol, is a songwriter and musical producer, in the urban Latin genre, who creates content so he may commercially exploit it on various platforms through a distributor.

11. Revol and Update Music and defendant, *Farruko*, a renowned musical artist in the urban Latin market, while in Puerto Rico negotiated the terms and executed an agreement for the distribution of musical master recording titled “*SOLA*”. See Exhibit 1 (Songwriter/Performer Royalty Agreement).

12. The basic terms of the agreement stated that Update Music, Mr. Martinez Lebron’s production company, would own and commercially exploit the “*SOLA*” master recording” and in turn, defendant, “*Farruko*, would receive 1/3 (33.3%) of the mechanical royalties it generated. See Exhibit 1 (Songwriter/Performer Royalty Agreement).

13. To that effect, Plaintiff, *Update Music*, executed an agreement with *WK Records*, a distributor, for the distribution and commercial exploitation of the “*SOLA*” master recording and other content, on digital platforms for public consumption throughout the world.

14. Farruko recorded the “*SOLA*” master recording at a studio in Puerto Rico.

14. However, despite executing the contract with defendant, in accordance with its obligations in the agreement, and even after completing the “*SOLA*” master recording and an array multiple requests in the form of emails, texts and telephone conversations, Defendants never delivered the “*SOLA*” master recording, as agreed upon with Mr. Martinez Lebron and Update Music.

15. Over time, as Plaintiffs demanded compliance with the delivery of the “*SOLA*” master recording, yet “Farruko” endlessly “yessed” them and kept delaying the delivery.

16. Defendant Farruko proffered multiple excuses for delay in delivery of the “*SOLA*” master recording such as “*I am out of town!;*” “*after the holidays!;*” “*I need to contact someone else about the recording session, etc. etc.*”

17. Then or about 2021 Farruko raised his conversion to Christianity as an excuse for not delivery the “*SOLA*” master recording and offered a substitute master recording titled “*Rumor de Guerra*” instead of “*SOLA*”.

18. Nonetheless, Farruko failed to deliver the substitute master recording to Mr. Martinez Lebron and/or Update Music.

19. Plaintiffs performed their obligations under the contract and defendants did not, in clear breach of the agreement entered into between the parties.

20. Despite multiple and repeated requests by Mr. Martinez Lebron for the delivery of the “*SOLA*” master recording, Defendants have has never delivered to Mr. Martinez Lebron or

Update Music, and in turn Mr. Martinez Lebron and Update Music have not been able to distribute it through WK Records,

21. On October 19, 2023, Farruko, through counsel, stated that “my client adamantly states that Carbon Fiber will not agree to the release of “Sola” and “Rumor de Guerra.”

21. As a result of the aforementioned actions by defendants, Carbon Fiber, LLC, Efren Reyes Rosado p/k/a “Farruko”, Plaintiffs, Update Music, Corp. and Roberto Martinez Lebron p/k/a “Revol”, suffered severe damages, in the form of tarnishment to their reputation and credibility before WK Records, loss of monies, expenses, profits and production costs which are estimated at an amount not less of Five Hundred Thousand Dollars (\$500,000.00).

V. CAUSES OF ACTION

A. Damages of Breach of Contract

22. The prior paragraphs are incorporated by reference.

23. Defendants, Carbon Fiber, LLC and Efren Reyes Rosado p/k/a “Farruko” intentional, willful and negligent breach of the Songwriter/Performer Royalty Agreement, constitute a material breach of the parties’ agreement. By not performing their contractual obligations in the form of submitting the musical production titled “SOLA” from the artist “Farruko” as agreed upon, for its distribution and commercial exploitation, defendants materially breached the contract.

24. As a direct and proximate result of defendant’s material breach, plaintiffs, Update Music, Corp. and Roberto Martinez Lebron suffered damages in the form of reasonable expenses in reliance on defendant’s performance of the contract, loss of profits, incurred in substantial expenses, and costs, and the loss of credibility and tarnishment to its reputation and

the “Update Music” trademark in the music industry which are estimated at an amount not less than Five Hundred Thousand Dollars (\$500,000.00).

VI. JURY DEMAND

25. Plaintiffs, Update Music, Corp. and Roberto Martinez Lebron p/k/a “Revol, very respectfully request a jury trial.

VII. PRAYER

WHEREFORE, it is respectfully requested that this Honorable Court, for the above stated reasons, Plaintiffs, Update Music, Corp. and Roberto Martinez Lebron p/k/a “Revol ask for judgment against defendants for the following:

- a) Not less than Five Hundred Thousand Dollars (\$500,000.00). for damages resulting from defendant, Efren Reyes Rosado p/k/a “Farruko” breach and non- performance of the contract; and
- b) all other relief the court deems proper.

RESPECTFULLY SUBMITTED, in San Juan, Puerto Rico on _____, 2023.

CERTIFICATE OF SERVICE

We hereby inform that on this date, we have presented the foregoing to the Clerk of the Court for filing and uploading to the CM/ECF system for notice of all settling parties.

S/Jane Becker Whitaker/

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